EXHIBIT 1

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11 F	
W. R. GRACE & CO., et al.,1)	Case No. 01-01139 (JKF) (Jointly Administered)	1/24/05
Debtors.)	•	1
)	Re: Docket No. 7545 and	
)	4/25/05 Agenda Item No. 7	

SECOND CONTINUATION ORDER GRANTING THE RELIEF SOUGHT IN DEBTORS' EIGHTH OMNIBUS OBJECTION TO CLAIMS (SUBSTANTIVE)

- 1. On January 12, 2005, the Debtors filed their Eighth Omnibus Objections² to Claims (the "Eighth Omnibus Objection") [Docket No. 7545].
- 2. On March 15, 2005, the Court entered the Order Granting Relief Sought in Debtors' Eighth Omnibus Objection to Claims [Docket No. 8024].
- On March 22, 2005, the Court entered the Continuation Order Granting Relief
 Sought in Debtors' Eighth Omnibus Objection to Claims [Docket No. 8083].

The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co. Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., GC Limited Partners I, Inc., (f/k/a Grace Cocoa Limited Partners I, Inc.), GC Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc. GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation., W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (F/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

² Capitalized terms used but not defined herein are as defined in the Debtors' Eighth Omnibus Objection.

NOW THEREFORE, upon consideration of the Debtors' Eighth Omnibus Objection seeking an order disallowing certain Claims; and it appearing that this Court has jurisdiction over this matter, that venue is proper and proper notice having been given and no further notice being required; and after due deliberation and sufficient cause appearing therefore, it is hereby

ORDERED that the Objection to each Claim listed on Exhibit A to this Order is continued to the May 16, 2005 hearing; and it is further

ORDERED that the Objection to #15316 filed by the New York State Department of Taxation and Finance, listed on Exhibit B to this Order, is withdrawn without prejudice and the Debtors retain all rights to object to the Claim on any grounds in the future upon proper notice and consistent with applicable bankruptcy rules; and it is further

ORDERED that the Objection to Claim #15165 filed by the New York State Department of Taxation and Finance, listed on Exhibit C to this Order, is sustained, and the Claim is reduced and allowed as indicated on Exhibit C; and it is further

ORDERED that Claim #15452 filed by Tennessee Department of Revenue, listed on Exhibit D to this Order, is sustained, and the Claim is expunged and disallowed for all purposes; and it is further

ORDERED that the Objection to Claim #311 filed by the Texas Comptroller of Public Accounts, listed on Exhibit E to this Order, is resolved pursuant to a separate Stipulation, which is attached hereto as Exhibit F; and it is further

ORDERED that the Objection to Claim #2360 filed by Marcella M. Paulette, listed on Exhibit E to this Order, is sustained pursuant to a separate Stipulation Resolving Claim #2360, which is attached hereto as Exhibit G; and it is further

ORDERED that except as provided for herein and consistent with applicable local rules and Bankruptcy Rules, the rights of the Debtors to object to any Claim listed on any exhibit to this Order for any reason are expressly preserved; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: 4/24, 2005

Honorable Judich K. Fitzgerald
United States Bankruptcy Judge

4/21/2005 11:34:11 AM

Hearing Date: Monday, April 25, 2005

OMNIBUS 8 - EXHIBIT A - CONTINUED In re: W.R. GRACE & CO., et al

i	Creditor Name / Address	Case Number	Claim Number	Total Claim Claim Dollars*Class**	m is** Relief Requested	Allowed Claim Claim Amount* Class** Order Status	Claim Class**	Order Status
	NATIONAL UNION FIRE INSURANCE C/O MICHAEL S DAVIS ESQ ZEICHNER ELLMAN & KRAUSE LLP	01-01139 9555 W.R. GRACE & CO.	9553 E & C O.	\$46,971,746.00	(S) CROSS-DEBTOR DUPLICATE	TE \$0.00	(3)	CONTINUED TO 5/16/2005 12:00 PM
7	575 LEXINGTON AVE NEW YORK NY 10022 STATE OF NEW JERSEY	01-01140	15324	\$258,629.24	(A) NO LIABILITY	\$0.00	(A)	CONTINUED TO 5/16/2005 12:00 PM
	DIVISION OF TAXATION PO BOX 245 TRENTON NJ 08695-0245	W.R. GRACI	W.R. GRACE & COCONN.	EXFONGE	EXPUNGE			
က	STATE OF NEW JERSEY DEPT OF	01-01140	871	\$149,730.68 (F	(P) REDUCE AND ALLOW	\$27,491.00	(g)	CONTINUED TO 5/16/2005 12:00 PM
	PO BOX 245 TRENTON NJ 08695-0245	W.R. GRACI	W.R. GRACE & COCONN.					

**(A) - Administrative (P) - Priority

(S) - Secured (U) - Unsecured

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OMNIBUS 8 - EXHIBIT B - WITHDRAWN In re: W.R. GRACE & CO., et al

Total Claim Claim Dollars* Class** Relief RequestedOrder Status	P) NO LIABILITY WITHDRAWN U) EXPUNGE	
Total Claim Claim Dollars* Class	\$7,509.78 (P \$4,127.62 (U	
Claim Number	15316	
Case Number	01-01146 CCHP, INC.	
Creditor Name / Address	1 NY STATE DEPT OF TAXATION AND FINANCE BANKTUPTCY SECTION PO ROX 5300	12205-0300

**(A) - Administrative (P) - Priority

(S) - Secured (U) - Unsecured

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(S) - Secured (U) - Unsecured

**(A) - Administrative (P) - Priority

OMNIBUS 8 - EXHIBIT C - SUSTAINED In re: W.R. GRACE & CO., et al

Q	
\$10	
REDUCE AND ALLOW	
\$267,817.79 (U)	
15165	. & CO.
01-01139	W.R. GRACE & CO.
NEW YORK STATE DEPT OF	BANKRUPTCY SECTION PO BOX 5300 ALBANY NY 12205-0300
	OF 01-01139 15165 \$267,817.79 (U)

*Plus, in certain instances, additional contingencies, unliquidated amounts, interest, penalties and/or fees.

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OMNIBUS 8 - EXHIBIT D - SUSTAINED - EXPUNGE In re: W.R. GRACE & CO., et al

umber Claim Number Stage 15452 RACE & CO.	Case Number Claim NUE 01-01139 15452 W.R. GRACE & CO.

**(A) - Administrative (P) - Priority

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OMNIBUS 8 - EXHIBIT E - STIPULATION In re: W.R. GRACE & CO., et al

	Creditor Name / Address	Case Number	Claim Number	Total Claim Claim Dollars* Class**	Relief Requested
-	PAULETTE, MARCELLA M 287 TOWNSHIP RD 267 AMSTEDDAM OH 43003 7200	01-01139 W.R. GRACE & CO.	2360	UNKNOWN (S)	STIPULATION
2	TEXAS COMPTROLLER OF PUBLIC ACCTS OFFICE OF THE ATTORNEY GENERAL COLLECTION DIV BANKRUPTCY SECT PO BOX 12548 AUSTIN TX 78711-2548	01-01165 311 GRACE DRILLING COMPAN	≻	\$11,227.67 (S)	STIPULATION

**(A) - Administrative (P) - Priority

(S) - Secured (U) - Unsecured

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IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
W. R. GRACE & CO., et al.,1)	Case No. 01-01139 (JKF) Jointly Administered
Debtors.	5	willing Parlimenta

STIPULATION RESOLVING THE OBJECTION TO CLAIM NO. 311 OF THE TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

This stipulation is entered into this 22nd day of April, 2005, between W.R. Grace & Co. and its affiliates (collectively, the "Debtors") and the Texas Comptroller of Public Accounts (the "Claimant").

WHEREAS, on April 2, 2001 (the "Petition Date"), the Debtors commenced their respective reorganizations by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

¹ The Debtors consist of the following 62 entities; W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (6k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (t/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-O Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (I/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal H. Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedico, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Curning, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

WHEREAS, this Court issued its Bar Date Order on April 22, 2002, which established March 31, 2003 as the Bar Date for the filing of certain pre-petition (a) non-asbestos, (b) asbestos property damage and (c) medical monitoring claims.

WHEREAS, on or about July 17, 2001, the Claimant filed a claim for unpaid interest associated with an excise tax that was incurred from 1/1993 to 1/1996, in the amount of \$11,227.67 and asserted that such amount was either a secured claim or a unsecured priority claim pursuant to 11 U.S.C. § 507(A)(8) against Grace Drilling Company. (Claim No. 311) (the "Claim");

WHEREAS, on or about January 12, 2005, the Debtors filed the Eighth Omnibus Objection to Claims. The Debtors objected to the Claim on the grounds that the Debtors had no liability for the Claim as no such liability was reflected on the Debtors' books and records;

WHEREAS, Grace Drilling Company does not have any assets in its bankruptcy estate;

WHEREAS, after providing documentation to support the Claim to the Debtors, and the Debtors and Claimant, through their respective counsel, have agreed that litigation with regard to the Claim would be unnecessary and wasteful to each of them.

NOW THEREFORE, it is stipulated and agreed by and between Claimant and the Debtors (collectively, the "Parties"), as follows:

1. The Parties agree that the Claim shall be allowed as follows: (a) if Grace Drilling Company's estate is substantively consolidated with any or all of the Debtors in such a manner that, pursuant to the terms of a confirmed plan of reorganization, there are assets to distribute to secured creditors of Grace Drilling Company, then Claim No. 311 shall be allowed as a secured claim in the amount of \$11,227.67 for all purposes with respect to any distribution under the confirmed plan; and (b) if Grace Drilling Company's estate is not substantively consolidated

with any or all of the Debtors in such a manner that, pursuant to the terms of a confirmed plan of reorganization, there are assets to distribute to secured creditors of Grace Drilling Company, then Claim No. 311 shall be allowed as a general unsecured non-priority claim in the amount of \$11,227.67 for all purposes with respect to any distribution under the confirmed plan.

- 2. The Parties agree that the Claim shall be allowed as a secured claim against Grace Drilling Company in the amount of \$11,227.67 for all purposes with respect to any distribution under a confirmed plan.
- 3. Each party executing this Stipulation represents that such party has the full authority and legal power to do so. This Stipulation may be executed in counterparts and each such counterpart together with the others shall constitute one and the same instrument. The parties further agree that facsimile signatures hereon shall be deemed to be original signatures. This Stipulation shall be binding upon and inure to the benefit of each of the parties, and upon their respective assignees, successors and/or partners.
- 4. The Debtors shall direct the Claims Agent, Rust Consulting, Inc., to make the Claims Register to reflect that Claim No. 311 shall be allowed as outlined herein
- 5. The parties shall take whatever additional action, if any, is necessary to make sure that Claim No. 311 is treated as outlined herein.

[Continued on next page]

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IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re:)	Chapter 11
W.R. GRACE & CO., et al.,1) }·	Case No. 01-1139 (JJF) (Jointly Administered)
Debtors.)	•

STIPULATION RESOLVING CLAIM NO. 2360

This stipulation is entered into this 30 day of Many, 2005, between W.R. Grace & Co. and its affiliates (collectively, the "Debtors") and Marcella Paulette ("Claimant").

WHEREAS, on April 2, 2001 (the "Petition Date"), the Debtors commenced their respective reorganizations by filing voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors' cases have been consolidated for administrative purposes only and, pursuant to sections 1107(a) and 1108 of the Bankruptcy Code, the Debtors continue to operate their businesses and manage their properties as debtors in possession.

The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.). W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Boarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe. Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

WHEREAS, this Court issued its Bar Date Order on April 22, 2002, which established March 31, 2003 as the Bar Date for the filing of certain pre-petition (a) non-asbestos, (b) asbestos property damage and (c) medical monitoring claims.

WHEREAS, on or about November 25, 2002, , the Claimant filed a proof of claim against the Debtors in the amount of \$51,737.72 and asserted that the claim was a secured claim ("Claim #2360").²

WHEREAS, on January 12, 2005, the Debtors filed their Eighth Omnibus Objection to Claims (the "Eighth Omnibus Objection") in which the Debtors sought to disallow and expunge #2360.

WHEREAS, on January 17, 2005, the Claimant filed a Response to the Eighth Omnibus Objection.

NOW, THEREFORE, in consideration of the foregoing recitals and of the following terms and provisions, it is hereby stipulated and agreed between the Claimant and the Debtors as follows:

- Claim #2360 shall be disallowed for all purposes in the Debtors' cases and expunged from the Debtors' claims register.
- 2. Each party executing this Stipulation represents that such party has the full authority and legal power to do so. This Stipulation may be executed in counterparts and each such counterpart together with the others shall constitute one and the same instrument. The parties further agree that facsimile signatures hereon shall be deemed to be original signatures. This Stipulation shall be binding upon and inure to the benefit of each of the parties, and upon their respective assignees, successors and/or partners.

The Claimant also filed Claim ## 2361, 2362 and 15352, which are not affected by this Stipulation. The Debtors reserve all rights to object to Claim ##2361, 2362 and 15352 in the future on any and all grounds.

- 3. This Stipulation constitutes the complete expression of the agreement of the parties hereto concerning the subject matter hereof, and no modification of or amendment to this Stipulation shall be valid unless it is in writing and signed by the party or parties to be charged.
- 4. The Bankruptcy Court shall retain jurisdiction to enforce this Stipulation and all matters relating hereto.
- 5. The Debtors shall direct the Claims Agent, Rust Consulting, Inc., to make the Claims Register to reflect that Claim #2360 shall be disallowed as outlined herein.

[Remainder of page intentionally left blank]

6. The parties shall take whatever additional action, if any, is necessary to make sure that Claim No. 2360 is disallowed and expunged as outlined herein.

STIPULATED AND AGREED:

Marcella Paulette

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W. R. GRACE & CO., et al.

One of their attorneys

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-and-

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